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9 UNITED STATES DISTRICT COURT  
10 NORTHERN DISTRICT OF CALIFORNIA  
11 SAN JOSE DIVISION  
12  
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14 SECURITIES AND EXCHANGE COMMISSION, Case No. C-07-3798 JW

15 Plaintiff,

16 v.

17 KENNETH L. SCHROEDER,

18 Defendant.  
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ADMINISTRATIVE MOTION BY PLAINTIFF  
SECURITIES AND EXCHANGE  
COMMISSION TO CONSIDER WHETHER  
CASES SHOULD BE RELATED

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21  
22 Plaintiff Securities and Exchange Commission (the "Commission") hereby moves this Court,  
23 pursuant to Local Rule 3-12, for an order that the instant case is related to a case also filed in this  
24 District on July 25, 2007, entitled *Securities and Exchange Commission v. KLA-Tencor Corporation*,  
25 Case No. C07-3799 HRL (the "KLA Case"). Both cases substantially concern at least the same  
26 parties, property, transaction or event, namely that certain executives of KLA-Tencor Corporation  
27 ("KLA" or the "Company") concealed millions of dollars in expenses from investors, and  
28

1 significantly overstated the Company's income by backdating employee stock option grants and  
2 failing to properly disclose and account for its true compensation expenses. The instant case alleges  
3 that defendant Kenneth L. Schroeder, the former Chief Executive Officer of KLA, intentionally  
4 engaged in the options backdating scheme at KLA.

5 In the KLA Case, KLA has consented to entry of a judgment against it; the proposed  
6 judgment and KLA's consent were filed concurrently with the summons and complaint. Counsel for  
7 KLA does not oppose this motion. Because KLA consented to a judgment and assuming the  
8 judgment is approved by the Court, it does not appear likely that there will be an unduly burdensome  
9 duplication of labor and expense or conflicting results if the cases are conducted before different  
10 judges. However, because the Commission is also this day filing a Declination to Proceed Before a  
11 Magistrate Judge and Request for Reassignment to a U.S. District Judge, relating the cases would  
12 reduce duplication.

13 DATED: August 7, 2007

Respectfully Submitted,

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15  
16 /s/ Judith L. Anderson

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Judith L. Anderson

Susan F. La Marca

Elena Ro

Attorney for Plaintiff

SECURITIES AND EXCHANGE COMMISSION